Division of Workforce Development

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September 15, 2000

DWD Issuance 04-00

Subject: Temporary employment (Stop Gap) and the determination of eligibility for Dislocated

Workers.

1. <u>Purpose</u>: To provide guidance in determining if temporary employment of a worker who has

been laid off as a result of a closure or mass layoff meets the criteria in Sec.134(d)(3)(A)(ii) "who are employed, but who are determined by a one-stop

operator to be in need of more intensive services in order to obtain or retain

employment that allows for self-sufficiency".

2. <u>Substance</u>: A dislocated worker who has been determined eligible as a result of a closure or

mass layoff shall remain eligible if such individual:

(1) Remains unemployed, or

(2) Accepts temporary (STOP-GAP) employment for the purpose of income maintenance prior to, and/or during participation in intensive or training services with the intention of ending such temporary employment at the completion of the intensive or training services with entry into permanent unsubsidized employment as a result of the services. Such temporary employment must be with an employer other than that from which the individual was laid off.

If an individual has been determined to be eligible for Dislocated Worker services and is currently employed, such an individual may still be eligible if their current employment is determined to be "stop-gap" employment.

Once Dislocated Worker eligibility has been determined, and it is determined that the current employment is not with the employer of layoff used to determine such eligibility, the stop-gap employment must meet ALL three of the definitions as outlined below (a., b., & c). For example, if Item a. is met, proceed to item b., if item a. is not met, the employment does not meet stop-gap definition and Dislocated Worker services cannot be provided.

Stop-gap employment must be:

- a. less than two years in duration;
- b. an entry level, unskilled, or semi-skilled position and;
- c. must meet one of the following conditions:
 - 1. Part-time (less than thirty-five hours per week)
 - 2. Temporary (ninety days or less)
 - 3. Earnings may not exceed the higher of:
 - a. Minimum wage; or
 - b. Seventy percent of the individual's wage received from the occupation from which they were laid off.

Note: Workforce Investment Areas are encouraged to establish local policies with regard to dislocated workers who accept full time employment which would allow for self-sufficiency, after they have been determined eligible for and are receiving intensive or training services.

Written documentation of the "stop-gap" dislocated worker's employment situation must be maintained in the participant's file.

- 3. <u>Action</u>: This issuance becomes effective July 1, 2000, LWIB and local DWD should distribute this information to appropriate staff.
- 4. <u>Contact</u>: Please contact Glenn Stinson or Don Rahm at 573/751-7896 with questions regarding this issuance.

Tom Jones, Director

TJ:DR:GS:jh

cc: John Cope

Assistant Directors DWD Managers